

PARKS AND RECREATION COMMISSION STAFF REPORT

Commission Meeting Date: November 5, 2024

Prepared by: Stuart Brown, Parks and Recreation Director
Katrina Kelly, Recreation Manager

Title: 2025/26 Parks and Recreation Department Fee Schedule Recommendations

RECOMMENDATION:

- 1) Receive a presentation from Parks and Recreation Department staff on the 2025/26 Parks and Recreation Department Fee Schedule Options.
- 2) By motion, recommend Option A, B or C for Town Council consideration.
- 3) Finalize recommendations for Town Council consideration during a joint workshop on November 20, 2024.

BACKGROUND INFORMATION:

It is well documented that having access to quality parks and recreation services improves physical and mental health, reduces crime and violence, increases access to healthy foods, builds community and boosts economic activity. The fundamental purpose of the Parks and Recreation Department is to deliver on these community values and provide multi-purpose, year-round, indoor, and outdoor recreation opportunities accessible to all residents and visitors.

On March 20, 2024, Town Council by resolution approved the 2024/25 Parks and Recreation Department fee schedule amendments as approved by the Parks and Recreation Commission on March 5, 2024.

On June 19, 2024, Town Council directed Town staff to introduce Resident/Non-resident fees and amend the 2024/25 Parks and Recreation Department Master Fee Schedule prior to winter operations at the Community Recreation Center (CRC), which opened on Thursday, October 3, 2024 with the Winter Expo.

On September 4, 2024, Town Council approved the following:

- A. Resolution No. 24-50 for *LA Kings Ice* Membership Products and Pricing for the 2024/25 Winter season.
- B. Directed the Parks and Recreation Commission to discuss, analyze and provide recommendations for Town Council consideration regarding the identified resident/non-resident fee discussion questions and department operational concerns and present these recommendations to Town Council as part of the joint Commission/Town Council workshop scheduled on Wednesday, November 20, 2024.

ANALYSIS AND DISCUSSION:

For the past several weeks, Town staff have identified several discussion questions and operational concerns related to the introduction of a resident/non-resident fee schedule. Parks and Recreation staff presented these questions and operational concerns to the Parks and Recreation Commission on October 1, and since that time have continued to conduct research and analysis based on Town Council direction. Further research included correspondence with the Inyo National Forest, Mammoth Ranger District (USFS) regarding the introduction of resident/non-resident fees on federal lands. The Town holds several use permits that require the submittal of operational plans

detailing the implementation of summer camps, programs and events/activities on federal land. The Town was concerned that fees based on residency may be inconsistent with the USFS issued Town use permits. Correspondence received from USFS representatives stated that no other permittees charge preferential fees (resident vs. non-resident) for outfitting and guiding services. The adoption of a resident vs. non-resident fee schedule would require consideration and formal approval by the USFS. Failure to receive approval would jeopardize not only permits for Summer Camps, but also any programming and facility rentals that take place at Shady Rest Park.

To facilitate a recommendation for Town Council consideration on November 20, staff have presented three (3) options for the Parks and Recreation Commission’s consideration.

Option A: Town residents should be given priority for Parks and Recreation Department products and services in the form of in-person registration and limited-time heavily discounted products.

Overview

Prioritize Residents by expanding and enhancing in-person registration and limited-time, heavily discounted season membership pass products based on product demand (availability) and capacity (resources) for products and services. Table 1 below lists those product categories in red with high demand and limited/medium capacity or resources, such as staffing, funding, space, etc. that justifies resident priority access and access to discounted products. Product categories with low-medium demand such as facility rentals, adult programming and special event permits have sufficient capacity to meet the current demand, so no priority classification is recommended.

Table 1:

Product Category	Demand/Capacity	<u>Proposed</u> Amendment	Comment
Special Event Permits	Low/Medium	<ul style="list-style-type: none"> No change – online permit submittal 	<ul style="list-style-type: none"> \$250/\$500 fee schedule based on road closure
Facility Rentals	Low-Medium/Med.	<ul style="list-style-type: none"> No change – online or in-person reservation 	
Facility Tournament Rentals	Low/Low	<ul style="list-style-type: none"> No change - Online reservation 	
Facility Admissions (<i>LA Kings Ice/ Mammoth RecZone, Whitmore Pool</i>)	Medium/Medium	<ol style="list-style-type: none"> Heavily discounted season memberships available during specified time periods. 	<ul style="list-style-type: none"> Limited sale periods In-person 50% disc. Scholarships available
Youth Summer Camps	High/Limited	<ol style="list-style-type: none"> Expanded in-person registration - limited to 1 camp/per child with a maximum camp enrollment of 3 camps/child. Online registration (no limits) based on availability 	<ul style="list-style-type: none"> Scholarships available
Youth Spring/Fall Programs	High/Limited	<ul style="list-style-type: none"> Online registration based on availability. Consider limiting enrollment to one 	<ul style="list-style-type: none"> Non-residents in school in LA Capacity related to available staff, not

		spring or fall program per child.	demand from non-residents • Scholarships available
Youth Events/Activities at Town Facilities (Halloween, Bike Rodeo, etc.)	Medium/Medium	• Online and in-person registration	• Pre-registration available for high demand events and activities, with many people paying at the facility.
Adult Programs	Medium/Medium	• Online registration • Introduction of a \$120 x 10 use Adult Winter Play Pass (\$200 value) – good for hockey pick-up, stick-time, drop-in, curling and more!	
Adult Tournaments	Medium/Medium	• No change - Online registration	

Option Summary

This option meets the goal of increasing access and availability for community members in a meaningful way for Parks and Recreation programs and services. This is achieved by utilizing one-on-one in-person registration at selected time periods and expanding targeted community-centric products and programs that have high value to the community. One of these valued community products is the Winter Skate Membership offered at a 50% discount during the month of October at *LA Kings Ice at Mammoth Lakes*. The discounted membership was received extremely well with **488** memberships (150 Mammoth Lakes Youth Hockey) purchased in October (as of 10/30). This compares to a total of only **145** (120 MLYH) memberships sold in 2023/24 representing a 237% increase.

Affordability for those families with financial need is achieved through the robust and expanded scholarship program now available for camps, memberships/passes, youth sport teams and some third-party providers, such as the LA Kings (Lil’ Kings program) and UK/Challenger Soccer Camps. For adults, the Department is exploring discounted products and programs targeted specifically for this demographic. This includes the new Winter Play Pass at *LA Kings Ice* as listed above in the table and requested in user surveys. Option A has minimal financial impact to the general fund, minimal impact to front-line staff and the guest experience, does not burden staff with producing a duplicate fee schedule on the reservation platform, and preserves the established foundation of inclusivity along with the intent of the General Plan Parks, Open Space, and Recreation element.

Option B - Town residents should be given priority for Parks and Recreation Department products and services in the form of resident/non-resident fees.

Overview

Prioritize Residents by introducing Non-Resident/For-Profit fees based on product demand (availability) and capacity (resources) for products and services. Table 2 below lists those product categories in red with high demand and limited/medium capacity or resources, such as staffing, funding, space, etc. that justifies a higher fee percentage (costs more to deliver). Product categories with low-medium demand such as facility rentals, adult programming and special event permits

have sufficient capacity to meet the current demand, so a lower percentage is recommended for Non-Residents/For-Profit organizations.

Table 2:

Category	Demand/Capacity	Proposed Non-Resident/For Profit Fee Percentage Increase	Comment
Special Event Permits	Low/Medium	+10%	
Facility Rentals	Low-Medium/Med.	+10%	
Facility Tournament Rentals	Low/Low	+10%	
Facility Admissions (LA Kings Ice/Mammoth RecZone and Whitmore Pool)	Medium/Medium	+20%	• Scholarships available for residents
Youth Summer Camps	High/Limited	+25%	• Scholarships available for residents
Youth Spring/Fall Programs	High/Limited	+25%	• Scholarships available for residents
Youth Events/Activities at Town Facilities (Halloween, Bike Rodeo, etc.)	Medium/Medium	+10%	• Scholarships available for residents
Adult Programs	Medium/Medium	+10%	
Adult Tournaments	Medium/Medium	+10%	

Option Summary

This option meets Town Council’s goal of introducing resident/non-resident fees, but as proposed, does not lower resident fees, but rather increases fees for non-residents based on the demand and capacity of the Department’s products and ability of the Department to deliver those services. The majority of fees are adjusted annually based on the Consumer Price Index (CPI) and typically increase by 3-5% each year. This fee schedule will have a significant financial impact as it affects all products and services and will require extensive analysis as part of the annual budget process.

Registration and facility admissions will all have to be conducted in-person as the Department’s reservation platform (DaySmart) does not have the functionality to verify residential addresses. In addition, customers can simply change their address online to meet the geographical region for eligibility. As such, this process will significantly affect the registration and admission process, burden front-line staff and add extra time to the process as all customer verification steps will have to be conducted in-person resulting in long admission lines. It may also erode our established foundation of inclusivity and welcoming culture nurtured over the past decade.

Option B requires policy recommendations for the following three items.

a) Proposed Definition of a Resident:

A resident is any person residing within the Town’s municipal boundary, or within the Mammoth Unified School District (MUSD) boundary which includes the Census Designated Places (CDPs) of McGree Creek and Crowley Lake, or any person owning property in these two areas (second homeowners). In order to qualify for resident pricing, the resident must supply proof of residency or property ownership, by one of the following methods:

- Valid California Driver’s License, or official identification (“I.D.”) card issued by the Department of Motor Vehicles for non-drivers, displaying an address within the specified boundary area(s) on the license or I.D.
- Pay stub from a local business located within the stated geographic area.
- Current year utility bill and/or property tax statement in the Resident’s name for an address within the specified boundary area(s).
- School ID for those people under the age of 18 or unlicensed drivers.

a) Should a resident/non-resident fee schedule apply to all camp, lessons and program fees or just facility memberships and passes?

Based on staff research, municipalities typically apply non-resident fees to Town-operated youth sports camps/programs, facility rentals and contract classes. Based on identified fee conflicts, staff recommends fees only apply to facilities on Town-owned land and not summer camps, lesson products or programs. This includes the Community Center/Tennis Courts/playground, Mammoth Creek Park, Community Recreation Center (CRC) – LA Kings Ice at Mammoth Lakes/Mammoth RecZone, Trails End Park/Volcom Brothers Skatepark and the Park at the Parcel.

b) How should fees be amended? Increase non-resident fees or decrease resident fees?

Analysis of similar municipalities found that they typically increase non-resident fees by an average of \$10 per product/service and/or up to 25% with a set-dollar amount as a cap. Staff believe that lowering fees will increase already high waitlists, further strain capacity of our limited programs and services and increase the community’s frustration to enroll in programs. In addition, selling products at lower rates will decrease Departmental revenues resulting in the general fund making up the shortfall. The Department introduced the Tony Colasardo Scholarship Program to level out this financial inequity by providing 50%, 75% or 90% product discounts. These scholarships are intended to remove financial barriers facing a family when deciding to participate in our many camps, programs or facilities. The benefit of scholarships is that they protect the perceived value of our products and services by increasing enrollments from all socioeconomic classes resulting in a win-win for the department and community.

Option C – Take no action and recommend Town Council direct the Town Manager to conduct a comprehensive analysis of Parks and Recreation Department fees and subsidies (cost recovery) based on market, environmental and financial factors.

This option is part of a larger discussion centered around user fees and fee recovery. Community Services and Parks and Recreation Departments throughout the State are facing significant challenges. These include increases in labor/benefits, utility costs, services and supplies, insurance related costs, minimum wage increases over the last several years (+25% increase since 2019), inflation and cost of living increases. Based on historical Town Council adopted subsidies (Ord. 91-08 & Ord. 95-07) for recreation programs, the Department currently applies a high subsidy (approx. 70-80%) or lower cost recovery for youth programs and facility operations, and a lower subsidy (approx. 10-20%) or higher cost recovery for adult programming.

Many municipalities use a pyramid model for establishing fees to determine appropriate cost recovery. The methodology is based on tiers aligned with a hierarchy of varying degrees of community versus individual benefit. Based on the established need and the desire of the Commission and/or Town Council, a comprehensive analysis and study of our current fees and

associated subsidies (cost recovery) based on market, environmental and financial factors with the desire to better serve residents would provide a quantitative and objective foundation from which fees could be amended in the future.

RECOMMENDATION:

Town staff recommend the Commission participate in a discussion and by motion, recommend either Option A, B or C (or a combination of options) for Town Council consideration. The Commission can also make a recommendation not related to either option or amended the options provided.

1. **Option A:** Town residents should be given priority for Parks and Recreation Department products and services in the form of in-person registration and limited-time, heavily discounted products.
2. **Option B:** Town residents should be given priority for Parks and Recreation Department products and services in the form of resident/non-resident fees.
3. **Option C:** Take no action and recommend the Town Council direct the Town Manager to conduct a comprehensive analysis of Parks and Recreation Department fees and subsidies (cost recovery) based on market, environmental and financial factors.